

## Interview with Jason Tucker

**Jason Tucker : CEO Falcon Enterprises  
one of the world's largest porn libraries.**

Interview by Robin Benger

00:38

### Tell me how Hefner launched Playboy by putting all his money into one photo...

...most companies don't, and that's provides you with a boatload of porn and it doesn't cost us anything because it's already paid for. That's the beauty of our library. I can exploit this in ways that other people can't, because somebody could launch a site tomorrow, talking about a teen site. Let's say it was a picture and a video gallery and they could say, "Okay I'm going to launch a site with 20,000 pictures and 15 videos, and that's a lot if you think about it. I can come along and go, I'm going to do 750,000 images, and 500 videos, it's live. That's the...our library is a gun that we can shoot in a particular niche and fair pretty well.

### ...what is falconfoto?



Falcon is one of the world's largest erotic libraries. I would liken it to the Getty images of the adult business. We have approximately 3 million images, about 500 videos broken off into about 17 main niches and about 22 sub-niches.

### How much are you worth?

I don't know. I'm worth nothing. I told you this before, people are worth nothing, companies are. I don't know. I honestly haven't...that's not something I focus on. I'm a workaholic, I focus on work, and money to me has always been the byproduct of an idea well executed. We're making more now I think than ever.

### We interviewed Larry Flynt...

Larry's an interesting character. He's very smart, he's very shrewd. He is a true freedom fighter and continues to fight today. He fights best when he's pissed off and that's what I like about him.

## **But he's not the cutting edge.**

The greatest description of LFP ever given to me was Hustler is a ship that set sail on its own sea of money and never returned to land. That is a brand, it is a brand, so you can licence that brand, you can leverage that brand, you can leverage it in the cable business, in the mobile business, in stores, in restaurants, in hotels. There's a lot of opportunity there. It's like the Playboy brand. You associate, but where you associate Playboy with a bunny, you associate Hustler with Larry Flynt. Larry's awesome...he's not only good for the business but he continues to stay...he's more involved now than I think he's probably been in the last five years or ten years of his business.

## **Who are the players?**

The internet generation, or just the adult business in general?

## **Adult internet.**

You have to mention Vivid Video. Steve Hirsch is the gold standard for the adult business. Everything that he does, everything that studio produces is top quality and they keep the bar really, really high, whether it's their contract girls, whether it's their, the videos they put out and how that translates on the web. He's doing Vivid Alt right now which is an alternative line, which is translating not only well on the web but also in DVD sales.

## **Is that getting mass audience?**

I think it's getting an audience. Vivid.com is like hustler.com, people just go there and they'll join it.

## **Wicked?**

Wicked Pictures? Same thing. Wicked does very, very well. They did...what was their movie last year? Manhunters and it was a very high end, well produced, well distributed video. They've put their videos on the web in the form of video on demand, how much they do in that, I have no idea.

## **Mobile phone?**

That's one way to look at it. It's huge overseas. It's killing time content. And it works very well in Europe because the phones are designed to be able to handle it. The carriers are a little reticent to take things on over here, and as you know in Europe, if you're not on deck, you're not making any money. And getting on deck here is next to impossible.

## **Here, you make 11,000 movies a year...**

There is a glut of new product coming out every single month. But I think the DVD market is suffering as a result of it, because it's the same girls and the same titles and it's the same similar types of titles. And it comes down to the same thing, people fucking with a different setup.

## **How many millions of versions of screwing can you come up with??**

Somebody's buying them and that's why they make them. For a video company the next life is the internet. Now what's interesting is that the internet companies that produce strictly for the internet are now making money from DVD, they went the opposite direction. They produced specifically for a website and now they're burning them to discs and getting them out the door in DVD sales and they're cleaning up.

## **I understand you are expert at tracking down people who are ripping you off...**

Because of the size of our library, and because...and before people were shooting their own stuff there were very few places they could get content. One of them was Falcon. So, a lot of people licensed our images and a lot of people stole our images, or our videos over the years. Where everyone is feeling the effects of it now, 4 or 5 years ago we were really feeling the effects of it early because we were responsible for a majority of the content that was on the web when the internet first started. So, what ended up happening was, we needed to get a handle on it. So we stopped licensing our content to webmasters and we had to come up with a way to get a handle on what we had before we could release anything else. Now, only about 25% of our entire library's ever been released on the web, which is, the rest of it's been released in other mediums, magazines, print publications, etc., or kept strictly on our own websites.

So we wrote a software with some very smart engineers that programmatically scours the internet and finds our stuff. And it's not that hard to identify our images. Once we identify it, we build a case, and then once we built...in 2000...back up.

The Digital Millennium Copyright Act was signed under Clinton's administration in this country and it gave people internet service provider protection, a safe harbour provision. Kind of like a I didn't know about it, I was never going to know about it, so it's not my fault, sorry, best of luck. A lot of people have been exploiting this and using this to hide behind their actions. And so we were sending out these DMCA, that's what it's called, the DMCA. We were sending out these DMCA letters, we spent in excess of \$100,000 mailing out these letters, people took our stuff down, didn't make a difference, couple weeks later they'd be back up somewhere else. So, enough was enough.

So, we wrote the software. We started, spent 2005 doing nothing but documenting infringers and found hundreds and hundreds and hundreds and hundreds of websites and companies. At first they were just websites, then they were companies, then it was people we knew that we had done business with that were doing this in our own industry, and we said enough is enough. So we put together a group of bulldog attorneys and started filing lawsuits. And we've been very successful. Today at any given time we've got six or eight lawsuits in the federal legal system here in the United States. We've sued people and we're going to continue to do that. So, now everyone else is starting to feel the major effects and it's starting to hit people in the pocket, they're like what are we going to do?

So, about six months ago there was a meeting here in Los Angeles and it was the top, I'd say the top 50 content producers in the business and we all got in a room and everybody said, enough is enough. So, to us this was just an extension of what we currently have been doing. So we called a company called the PAK group, and there's companies like Shane's World and some of the other larger companies in the business. And we formed a coalition and it's distributed cost, right. We all throw into the kitty and it costs us less to go sue people now.

## **Now you're big time you gotta try control the global business...**

We're not looking to control the global movie business, we're looking to stop thieves that are stealing content. And it's not...the individuals are doing it. People know what they're doing. They're going to Torrent sites and they're going to these Tube sites and they're watching movies and they're full length movies and they're somebody else's and they're watching them for free, and that's illegal in itself. But when I look at something like that I go, well who's the site that's actually doing it? That's who we need to go stop. Because if everyone's going there and we get rid of wherever there is, then they're going to have to go somewhere else. And if we can make it more difficult for them, then eventually consumers might get smarter. The other thing is this. If you keep stealing stuff, we're not going to be able to make it. And if we're not able to make it, the quality that you're going to be getting is going to be a lot worse.

One would hope, but you're not going to be able to produce...you can't spend 50, 100, 200,000 dollars on a high end title if you're not going to make profit on it. So, if you're...and now what's happening, for example, the DVD market, the day those things hit the street, bootlegs are already on the other coast getting slung on the street and it's already on the web and it's replicating and replicating and replicating. You don't have a chance to make money on it. So we need to stop it, and it's going on too much. So, we formed this organization and we're going to go hurt some people with the legal system, and it's going to be costly for them. And we've got the money to go fight them and fight them to the death.

## **Has porn gone too far?**

Steve Hirsch spoke at Yale University last week during sex week. And I'm paraphrasing but essentially he called out Yahoo and Google and said, you are the engines by which people are finding this so easily, you should do something about it. And I believe that to be true. You can go type in whatever you want to Google and find exactly what you want. Do I think that's a problem? Absolutely. I've had to put major security systems and stop gaps in place to prevent our own children from seeing things that I don't think are appropriate. And it's not just adult content, it's subject matter that they shouldn't know about at this age. The same way one tailors what their kids can watch on TV or whatnot. I mean everybody censors something to some extent. So you censor what your kid can watch, censor where your child can go. You have to be extra, extra diligent when it comes to the internet because the internet will give them everything and then some in ways that you don't want them to see. And that's a problem. That's a problem. Nobody in our business wants kids to see things that they're not supposed to see. Nor do we want kids as members. WE don't want it. I want adults. I don't want kids.

## **but here you are filming big butts and your children...**

Kids aren't here. The kids are never around when this stuff's going on. That's the other thing. We shadow them from everything that we do.

## **...you've done well, very fast**

Oh, it's been very quick. This business has been very good to me.

## **Whats the digital sexual experience going to be in 10 years...**

That's one of those "how far can we go, how extreme can things get"? I'm finding happiness going back to basics, pretty women doing seductive things to me is more hot than some of the hardcore extreme that I'm seeing in the marketplace right now. I've often said I've seen so much nudity that I think a winter fashion show where people star partially clothed and keep putting on parkas and pullovers would be more seductive than taking them off these days, because you just see so much nudity you kind of like hit the end and you want to go back to the start again. Historically things go to extremes and they come back again. The one constant always seems to be that seductive, erotic, subtle, suggestive strip tease like, with maybe a little bit more. And I think that's what we're going to end up sticking with ultimately.

## how much money is being made...

It's millions.

## Hundreds of millions?

I don't know what the exact amount is. I have a lot of friends that are millionaires. There's a lot of us walking around. We get together we work hard, we play hard, and there's a lot of money that's been made and continues to be made in this business, and fast. It's very fast. And then it can slow down and it speeds up again. There's ebb and flow, but the flow is big.

## Where are we right now?

Some people are in an ebb, some people are in a flow. It just depends on where you are with it. We try and diversify our portfolio enough so that we have pay sites, we have free sites, we have mainstream sites, we have opportunities that are different. So, depending on how the market's going we can kind of weather it a little bit. But it compounds, right? So, say you start a website and you get 100 people that join and then the next month you have another 100 people and 50 cancel. Well that's 150 people now that are recurring and then you add another 100 to it, that's 250 people. And then 50 cancel and now you add. You can see it compounds. So eventually it's not uncommon to have thousands and thousands of members paying \$30 a month, that's 30,000 a month and now it's growing, 45, 60, 100, 200, 300,000. It comes fast.

## you came in from the mainstream..is the gap between it and porn closing?

The gap has changed, the gap has shrunk. Initially where my job was to bridge the gap between mainstream technology and the adult vertical without saying, hey this money came from porn, that window closed. And now you have major companies like Penthouse which just bought Adult Friend Finder for 500 million dollars and it trades on Wall Street. That's one of the largest deals that's been done yet. Playboy has historically been the adult company. It's not anymore. And so the mainstream has learned a lot from the adult business. The adult business fuels a lot of the growth of technology that exists on the internet. From streaming video, from content delivery vehicles, from content delivering networks, dealing with bottlenecks on the internet because there are so many people going to a specific site, distributing that around. From that it's now...and then also the basic business models, the how to transact, the per click, the per impression, the upsell concept. That all came from the adult business.

Nowadays the mainstream is showing us that they have certainly learned their lesson and then some, because they're putting out some amazing products that are starting to cut into some of the adult properties, which is pretty interesting.

## So if you make 400 million, you gonna run for governor?

Four hundred million dollars, I could certainly put up an interesting fight, couldn't I?

## My point is, there's a bad taste about porn people...

That's there. That's always going to be there. I mean as long as there's an adult business and as long as there's a church and as long as there's a person in the middle there, somebody's going to have an opinion one way or the other.

## How do you deal with that?

You know, I have, I do a lot of things outside of this business. I do a lot of things in the mainstream, I do a lot of philanthropic activities. I'm involved with a lot of different charities and a lot of different volunteer organizations outside of this business, and it's come up. And when it comes up I don't make a big deal out of it. I don't walk around and advertise what I do for a living. If somebody asks, and they press long enough I'll tell them. But otherwise it's nobody's business. So, has it affected me? Absolutely. Has it caused issues? Yes. I mean at family functions my grandparents have said to me, don't tell our friends what you do for a living. Okay.

## ...what do you tell people you do for a living?

It...I don't walk around advertising it, but it does show up. Would I want to be governor of California? I'd rather be Senator from California than governor. Would somebody in the adult business be able to run? Who knows? We're in a....

## Can you, as a porn mogul contribute 1/4 of a million to Obama...

Sure, if he accepted it. Would I give it to him? No, I wouldn't give it to...

## Whoever...

I'd give it to Hilary and McCain and probably split it down the middle. Well, for no other reason than this, I really want to hear President and President Clinton. I think that would be really neat to hear it coming out. And I think she has a lot of good ideas...and we could talk about politics for ages. And John McCain, it's John McCain.

## **Looking forward , through the internet you can have a sensual relationship with anyone...**

I think people are losing their inner personal communication skills. Their ability to interact with one another on a one-to-one relationship face to face. I think a lot of that has to do with the fact that the internet provides what you're talking about, which is this ability to sit at home and feel very secure, even if you're insecure when you leave the house, and be anything that you want and do anything that you want. Look at Second Life. This is why Second Life is so good, you can go in and be what you want to be and you can lie your ass off and it just means you're cooler in that world. People are doing this. But at the same time people are meeting and they're having what turn into real physical relationships. And they're meeting differently than ever before, because typically you have to get over that hump of I'm nervous to talk to you. And now I've gotten to that step and now we interact and then maybe I tell you a few fibs and you tell me a few fibs and then three months later we learn what wasn't true but we've fallen in love and we live happily ever after. Nowadays because of you're forced to interact on this communicative level, you know most of the time more about them before you've ever met them face to face. So that all of that other stuff just becomes secondary. It's very weird, it's very different.

## **I drive around in Toronto's everyone's indoors, the little blue light glowing. Nobody gets out anymore...**

People are also afraid of other people more than ever. It's weird. I have no idea where it's going. I wish I knew unequivocally where it's going. I have an idea but we'll see if it's right or not. It's going to communities, there's no doubt about that. Because where it used to be, I want to go and look at a video, or I want to go and look at photos, or I want to go and this, it's now, I want to go where there's other people that are also doing this and not only do I want to interact with that but I want to interact with them as well.

So it's going to community-based settings, and those community-based settings are growing. Second Life, being a mainstream property, is living proof of that. It's a vast diverse community of people interacting. There's a lot of sex in that too. A lot of sex action going on. And YouTube, for example, where people can live their life on the internet, and this provides them a distribution vehicle to do that. And other people can comment on it, so they can interact with people by putting out what they consider their art or their bad experience or their funny ha ha, or whatever the case may be, and have people comment back on it. And then in turn they can comment back on it.

## **Larry Flynt told us yesterday that the war against the anti-pornographers is dead. Is there nothing to fear from them anymore?**

You always have something to fear. Anytime a group can organize against another group, they need to be watched, right? We have a lot of laws...we have a lot of issues in this country with that right now. So, I would say that it's...for him, I can understand where he's coming from and I don't want to try and sound like I'm inside the head of Larry Flynt because I could probably hire myself out for a lot of money if I truly was.

I think that it is so accepted right now that the direct threat of, we produce this, it's obscene, you're going to jail, or you're going to hell in a hand basket is...I can understand where he's coming from by saying that part is gone, just throw that out right now. Because that's what he's been fighting for many, many years. That part is gone.

I think there are other ways that we could ultimately get smacked. And freedom of speech is a dangerous thing. It's a good thing and it's a bad thing. It allows us to do what we do, but it also allows others to do what they do, and that's always going to create the clash, right? So, we've always got to be able to stand up and fight. I think right now, sure it's accepted. Tomorrow, who knows what'll happen. In another state...right now in Utah if you send adult material into Utah, if you let somebody access a website in certain parts, you could be brought up on charges of obscenity. That's today.

## **There's nobody effective leading the anti-obscenity forces right now**

Absolutely. Any time there's an opportunity somebody'll step into the picture. Who? I have no idea. A few years ago it was Senator Oren Hatch out of Utah. And that kind of went by the wayside. And then somebody else will step up. Look, people like Al Sharpton have made a career out of taking small issues and making them huge and turning that into profit under the guise of whatever. The same thing could happen here. There's morality in media. It's a mainstream company that does...they call on the phone and they go, hi, we'd like to do this survey. We're morality in media. What do you think about kids seeing nude butts on NYPD Blue 10 years ago? And do you think we should go have them fined?

## **Some Big mega corporations are involved in porn profits, no?...**

They're in it. They all make money from adult.

## **Have you talked to the men who run these mainstream corps about how much porn contributes to their bottom lines.**

Well AT&T owns lines and lines carry things over them. So, if hypothetically 60% of all search terms are adult related, then 60% of the band width that they're burning is somehow connected to the adult business. If you have a company that also owns a hotel chain, those hotels are showing adult material in them. If you're a cable company, you're showing either sexually explicit or full hardcore material on your channels at one time or another.

## **Have you talked to the men who run these mainstream corps...**

You're looking for someone to care past bottom line revenue. Their job is to generate revenue, that's it. My job is to generate revenue. I care about my bottom line, and that's what they care about too. And we're soft for them because they're publicly traded companies, which means they have to answer to Wall Street and the stockholders and there's a lot of them. And you can go into a room and you can say to a group of stockholders, we are going to lose \$60 million next year because we are not going to allow this content on our hotel channels and we expect you to hold our stock and not do anything, in fact come buy more, but know that we're going to take a \$60 million hit. What do you think the reaction in the room is going to be?

## **...Can they hide the profits?**

It goes back to what I said before, which is that my job initially was to book revenue for them and have it be able to be reported but not look like it was coming from the porn business.

## **How?**

as I had a mainstream company. I had a mainstream consulting company and I would book everything on my paper but it was all coming from the adult business. Whether it was band width being sold, whether it was, whatever the case may be. It allowed those companies to garner the revenue, report it to the street and not have it say this percentage came from the porn business...

## **I won't be able to find out how much money mainstream makes out of porn?...**

You're not going to get a straight answer out of them. I'd love to know. Are they making money? Yes. It's impossible to not, and you can't...I think everyone just needs to get over it. Especially in this country. Everybody is so uptight. You go to Europe, you go to other parts of the world, these things don't occur. People don't have these taboos, people don't have these hangups. Chris Rock, I think it was, did a great standup. He talked about we're the only country in the world that has food allergies. Find me somebody in Ethiopia who has a food allergy. We have all this opportunity in this country, yet we have all of these stupid little hangups, and so, in the adult business there's more free thinking people who... but they're also conservative in their own lives most of the time, but they don't have the same hangups. And I think the people that are stuck on all of these things, it's like everyone just needs to take a big breath and really put things in perspective. People having sex in front of you, people having sex on the internet, people having sex, period, how is that really impacting your life? How is that hurting you? How is that hurting you from an economic standpoint? How is that hurting you from a social standpoint? How is that affecting your ability to go do what you're going to do tomorrow, which is get up, go to work and pay your credit card bills?

## **...is it a big tax refuge**

Sure, we pay taxes. The IRS is the most efficient operation in this country.

## **They have tabs on you?...**

They're on top of everybody. We pay taxes. You have to pay taxes. We pay corporate taxes, we pay personal taxes, you have no choice. So the...

## **Whose benefitting?**

Everybody's benefitting from this. Sex never hurt anybody, right? That's the way to look at it. No, if it was done correctly...I mean, I'm not talking about somebody cheating on somebody else, or that moment....that's not sex, that's exactly what it is, it's rape and child molestation. But consensual sex between two adults I don't think has ever hurt anybody.

u